FINANCIAL SECRETARIAT.

Retrenchment in the Duty, Local and other Allowances.

READ—

The recommendations of the Retrenchment Committee regarding the grant of allowances in addition to salaries contained in their Final Report received with letter No. 285, dated 12th August 1931.

ORDER NO. FL. 2320-70—S. & A. 123-31-1, DATED 2ND OCTOBER 1931.

The Committee have exhaustively reviewed the general principles which should regulate the grant of duty, local and other allowances to officers, in addition to pay or salary and have observed that there is scope for considerable retrenchment in the allowances now being disbursed.

2. Keeping in view the general conditions of service under Government, the Committee propose that no claim for an allowance in addition to salary should be recognised except under special circumstances. They have also defined the classes of cases in which allowances might or might not be given.

3. The several kinds of allowances dealt with by the Committee are:—

1. Duty Allowances
2. Personal Allowances
3. Local Allowances
4. Conveyance Allowances
5. Tentage Allowances
6. House Rent Allowances or Free Quarters

4. *Duty Allowances.*—The Committee are of the opinion that additional work should not be a ground for an allowance unless it is entirely outside the normal duties of an officer or unless such addition to duty entails more than a reasonable day's work.

In their view, additions to pay should not be allowed except in cases where an officer is employed on arduous work outside his ordinary sphere of employment or on temporary detached duty involving responsible and heavy work.

They recommend that an officer of one department transferred or lent to another for employment within his branch of duty should not be given an allowance, and that the allowances now granted to officers borne on a general cadre and transferred for work in the Secretariats or in Central Offices at Bangalore and Mysore be abolished.

5. *Personal Allowances.*—The Committee consider that the grant of personal allowances should be limited only to cases where officers are entitled to compensation for loss or reduction of emoluments consequent on the abolition or revision of the pay of appointments held by them.

They are of the opinion that absorbable personal allowances now granted to medical officers below the Surgeon's grade in consideration of their acquiring European qualifications may be discontinued.

6. *Local Allowances.*—It is suggested that all allowances classed as Local and granted to officers on pay exceeding Rs. 50 on account of unhealthiness of locality or the expensiveness of duty be entirely stopped.

In the case of the lesser paid non-gazetted officials however, the Committee have no objection to the grant of special locality allowance at the rate of one anna in the rupee of pay drawn according to the rules sanctioned in the Government Order of 27th October 1926. And they add that these rules may be made applicable uniformly to all departments in the State including the Railway, Police and Military Departments in supersession of any special rules that may be in force in them.

7. *Conveyance Allowances.*—As regards conveyance allowances, the Committee recognise the principle that an officer having to make, within a limited area, frequent journeys for which ordinary travelling allowance would not be admissble, is entitled to some compensation for meeting his out-of-pocket expenses. But they add that, if in fixing the pay of an appointment, this factor is taken into account, there is no need for the grant of a separate conveyance allowance.

8. *Tentage.*—The Committee are of the opinion that under present conditions it is unnecessary to continue the tentage allowances to any officer and that its grant to officers of the Survey Department may be abolished, suitable arrangements being made for providing them with office accommodation.

9. *Free House Accommodation.*—As regards the provision of free quarters or the grant of house rent allowance instead, the Committee observe that except in the cases of officers who are or may hereafter be entitled to them as part of their terms of employment, the concession should be strictly limited to officers who are required in the public interest to reside within the close proximity of the place of duty.

10. Keeping these general propositions in view, the Committee have examined the several cases of allowances now given to gazetted officers and have made specific proposals regarding their continuance, abolition or reduction, resulting in an ultimate saving of Rs. 1 lakh per annum.

11. As regards non-gazetted officers, they observe that the allowances given to them do not appear to be generally excessive. It is suggested however that a maximum of Rs. 30 may be fixed as the aggregate limit up to which allowances of any kind may be given to non-gazetted officers.

12. The principles enunciated by the Committee for regulating the grant of allowances are, on the whole, well-considered and will generally be kept in view in dealing with cases that come up for consideration. It must, however, be remembered that it would be more costly to fix separate rates of pay for all appointments and the entire abolition of the arrangement of giving allowances in addition to pay would also not afford scope for making inter-departmental transfers according to the needs of departments and capabilities of officers. It is, of course, necessary that the grant of allowances should be limited only to cases in which any other arrangement would be more expensive.

13. Government have carefully considered the specific proposals of the Committee relative to the allowances (other than Personal) now disbursed to gazetted officers and are pleased to accept them with a few modifications.

The cases of additions to pay granted to officers as personal to themselves and of all allowances now given to non-gazetted officers are reserved for separate consideration and pending further orders, they will continue to be disbursed to them as per existing sanctions.

14. As regards all other allowances, the decision of Government is embodied in the annexure to this order. The revision will have effect from 1st October 1931.

B. SRINIVASA IYENGAR,
Financial Secretary to Government.